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C O N F I D E N T I A L SECTION 01 OF 02 SINGAPORE 000067

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NSC FOR D/NSA DAN PRICE AND DIRECTOR MIKE SMART

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TAGS: [ETTC](#) [ETRD](#) [EFIN](#) [ECON](#) [PREL](#) [SN](#) [BM](#)

SUBJECT: D/NSA PRICE URGES THAT SINGAPORE DO MORE ON BURMA  
IN MEETING WITH FM YEO

REF: 07 SINGAPORE 2086

Classified By: Deputy Chief of Mission Daniel L. Shields.  
Reasons 1.4 (b) and (d)

¶1. (C) Summary: D/NSA for International Economic Affairs Daniel Price used a meeting with Singapore Foreign Minister George Yeo to urge that Singapore and ASEAN do more to pressure the Burmese regime to cooperate with the UN and make real progress toward democracy. FM Yeo responded that Singapore and ASEAN had tried, but failed, to encourage the Burmese junta to change its ways. FM Yeo conceded that targeted U.S. financial sanctions against Burmese nationals and entities with ties to Burma had generated increased "discomfort" for the regime. However, he doubted their overall effectiveness, observing that, Burma was moving closer to China. Singapore would not impose its own financial sanctions against Burma, but would implement UN sanctions if they were imposed. The "best hope" for dealing with Burma remains UN Special Envoy Gambari, whom Singapore expects to be able to visit Burma in April, FM Yeo said. D/NSA Price's discussions on the Doha Round and related economic and trade issues are reported septel. End Summary.

ASEAN: Tried but Failed

¶2. (C) Assistant to the President and Deputy National Security Advisor (D/NSA) for International Economic Affairs Daniel Price used a January 15 meeting with Singapore Foreign Minister George Yeo to urge that Singapore and ASEAN do more to pressure the Burmese regime to cooperate with the UN and make real progress toward democracy. FM Yeo responded that Singapore and ASEAN had tried, but failed, to encourage the Burmese junta to change its ways following its September 2007 crackdown. ASEAN leaders had made clear to Burma during the November 2007 ASEAN summit in Singapore that ASEAN could no longer defend Burma's position. During the summit, Burma had emphatically rejected any role for ASEAN (reftel). China and India were in a better position than ASEAN to influence the regime, he asserted.  
Economic Pressure

¶3. (C) D/NSA Price asked if Singapore would use economic means to put pressure on the Burmese regime. FM Yeo said Singapore would not impose its own financial sanctions against Burma, but would implement UN sanctions if they were imposed. If Singapore acted unilaterally to impose

sanctions, it stood to lose its credibility as a regional financial center, FM Yeo claimed. He noted that Singapore has stated publicly its position that sanctions will not work, especially if China refuses to comply. Not only are sanctions an ineffective policy, they also push Burma closer to China and increase the risk of Burma's disintegration. Other countries need to engage Burma economically lest it devolve into civil strife along ethnic lines, which would mean bigger problems for Southeast Asia in terms of the drug trade, terrorism, and refugees. The United States is far away, but Singapore lives here, FM Yeo said.

14. (C) FM Yeo conceded that recent U.S. financial sanctions imposed on certain Burmese nationals and entities with links to Burma appear to have made the situation more "uncomfortable" for the Burmese regime. Nevertheless, targeted financial sanctions were driving the Burmese "into the arms" of the Chinese. India will not tolerate a situation in which China's influence in Burma is pervasive and India will therefore keep up its own links to Burma. Fm Yeo claimed that Burma's senior leaders were annoyed with Singapore over its efforts on the Burma issue and had stopped traveling to Singapore for medical treatment, opting instead to seek medical care in China. FM Yeo said at one point he had used the doctor in Singapore of Tay Za (a regime crony businessman) to urge the Burmese regime, through Tay Za, to talk with Aung San Suu Kyi. Channels like this no longer exist, he noted. The "best hope" for dealing with Burma remains UN Special Envoy Gambari, whom Singapore expects to be able to visit Burma in April, FM Yeo said.

15. (SBU) D/NSA Price's discussions on the Doha Round and related economic and trade issues are reported septel.

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16. (U) D/NSA Price did not have the opportunity to clear this message.

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